Long-Term Ferry Finance Study Overview of Work Plan and Schedule





Presentation Overview Long-Term Ferry Finance Study

- Study objectives
- General approach
- Work plan
- Schedule
- Additional discussion and questions



Objectives Long-Term Ferry Finance Study

- Synthesize relevant existing information about funding sources, financing capacity, trends, etc.
- Consider state, regional and local financing options, including new and non-traditional funding sources
- Identify and evaluative long-term financing alternatives for the state ferry system
- Develop selection of most viable financing options and requisite actions
- Present draft findings and recommendations to Transportation Committees in December 2008, issue final report to Legislature in January 2009.

General Approach Long-Term Ferry Finance Study

- Two-phase study to meet time constraints
 - Phase I, November 2007 February 2008
 - Phase II, March 2008 December 2008
- Coordinate with and take advantage of concurrent Ferry Customer Survey, Operations Study
- Maximize use of existing knowledge and previous relevant work in Washington State
- Review experience and approach of peer ferry systems
- Consider innovative transportation financing approaches



- Legal and regulatory review
- Review of relevant finance studies
- Scan of other ferry systems
- Coordinate with Ferry Customer Survey
- Develop Phase II work program and cost estimate
- Summary report and presentation of findings and recommendations



- Task 1: Legal and regulatory review
 - Review Washington State laws and regulations on transportation financing and taxing authority at city, county, regional and state level
 - Identify current and potential capacity of existing financing mechanisms
 - Prepare memorandum of findings and follow-up issues



- Task 2: Review of past finance studies and other relevant work products
 - Conduct interviews with selected agency staff
 - Washington State Ferries
 - Washington State DOT
 - Legislative staff
 - Governor's Office staff
 - Transportation Commission members and staff
 - General transportation and ferry-specific finance studies
 - 2007 JTC Long Term Transportation Financing Study
 - Previous WSF cost and revenue projections



- Task 3: Scan of other ferry system financing
 - Domestic and foreign
 - Funding sources
 - Operating agreements
 - Governance structures
 - Creative finance mechanisms
- Potential candidate systems:
 - Alaska, SF Bay Area, Boston, New York, Florida, B.C.,
 Sydney, Hong Kong
 - Scan will not involve travel



- Task 4: Coordination with other current studies
- Finance Study Advisory Team
 - Monthly on-site meetings, additional teleconferences
- Ferry Customer Survey
 - Qualitative results
 - Quantitative results, spring and summer surveys
 - Consider survey questions relevant to finance study
- Operation and Maintenance Costs Study



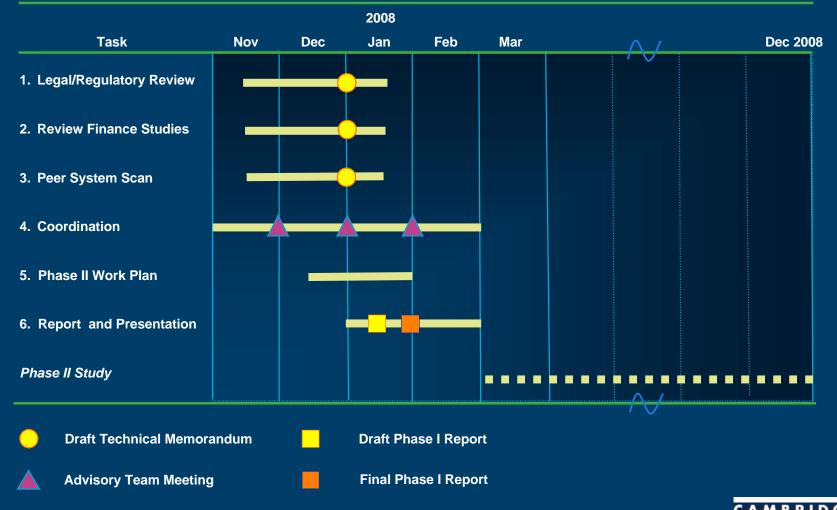
- Task 5: Phase II work program and cost estimate
 - Phase I work will identify range of promising strategies that target constraints and projected needs
 - Phase II work will fill information gaps, conduct further modeling of financing capacity
 - Consider non-traditional sources, expand pool of available sources of funding
 - Consider extraordinary financing needs, e.g., deferred maintenance and vessel replacement
 - Identify necessary legislative or other regulatory actions



- Task 6: Deliver summary report and presentations
 - Periodic meetings/briefings with Advisory Team
 - Report results of Tasks 1 through 3 by December 31
 - Final Phase I project report by January 31, 2008
 - Commission presentations in February 2008



Phase I Project Schedule Long-Term Ferry Finance Study





Long-Term Ferry Finance Study <u>Discussion and Questions</u>

